

# LYNCHBURG REGIONAL AIRPORT COMMISSION

Monday, June 20, 2016

4:00 p.m.

## AGENDA FOR THE COMMISSION

1. Call to Order

### CONSENT AGENDA

2. April 4, 2016 Commission Meeting Minutes
3. Lynchburg Regional Airport June 2016 Air Service Update
4. April 2016 Passenger Traffic Report

**Consent Agenda Recommended Action:** Receive and File

### REGULAR AGENDA

5. Report of the Lynchburg Regional Airshow President regarding the recently completed 2016 Lynchburg Regional Airshow
6. Report of the Airport Director
  - A. LYH air service update and report on the outcome of airline meetings at the June 14-15, 2016 Airports Council International's annual JumpStart airline planners' conference
  - B. A report in regards to the \$50 million incentive package contained in the Governor's 2017-18 Commonwealth Budget to improve airline service at Washington Dulles, and the resulting United Airlines service opportunity at LYH that is possible as a result
  - C. An update regarding the start of construction of LYH's new air traffic control tower
7. Miscellaneous business
  - A. Inquiries and/or comments by Commission Members
8. Reports of airport businesses
9. Hearings of citizens upon Commission matters
10. Adjournment

**MINUTES OF  
THE  
LYNCHBURG REGIONAL AIRPORT COMMISSION MEETING  
Monday April 4, 2016  
4:00 p.m.**

**PRESENT:**

Kimball Payne  
Bert Dodson  
Mike Davidson  
Robert Day  
Lynch Christian

**ABSENT:**

Debra Allen  
Stuart Hobbs  
Charles Nowlin

**STAFF PRESENT:**

Mark Courtney, Airport Director  
Rick Stein, Deputy Airport Director  
Wes Campbell, Airport Finance Director

**(1) CALL TO ORDER:**

The meeting was called to order at 4:00 p.m.

**(2) APPROVAL OF APRIL 4, 2016 CONSENT AGENDA**

Mr. Bert Dodson confirmed that everyone had received the items from the consent agenda; the January 25, 2016 Commission Meeting Minutes, the March 2016 Air Service Update and the February 2016 Passenger Traffic Report and asked if there were any questions, comments or changes regarding the consent agenda items.

Mr. Dodson called for a vote and the Consent Agenda was unanimously accepted by all.

**(3) REPORT OF THE LYNCHBURG REGIONAL AIRSHOW DIRECTOR ON THE STATUS OF THE 2016 AIRSHOW**

Mr. Ernie Rogers said there were 46 days left before the Airshow and that they were moving out of the planning stage and into the operational stage. He said Thursday and Friday were educational days. Thursday they were going to have the kids from the Jubilee and do a candy drop for them from a C-54, (similar to the Berlin Air Lift.) He said high school kids from all over the county and some from Roanoke were going to gather at E.C. Glass auditorium to hear the Blue Angels speak, followed by a visit from former astronaut Leland Melvin. NASA will be represented, as well as the SEALS. He said another candy drop will be done at the airport, then the students will be moved to the show center to see various displays and to watch the practice airshow.

He said Airport Road will be closed to public traffic most of Friday afternoon with only those people conducting business being allowed to use that road. He said the Command Center up will also be positioned on the hill where spectators used to go.

He said they wanted to make this a community event and they need about 500 volunteers that day. He thanked Kim Payne for offering to promote the need for volunteers to city employees. He said planning for parking and overall transportation is looking good, and that their website was up and running and they were selling tickets. He said on Sunday anybody who is active or former military, national guard or reserves will be admitted free of charge if they can show proper documentation. He invited all of the Commission Members plus one guest to be VIP ticket holders for either Saturday or Sunday.

Mr. Courtney said he would send him the email addresses of the Commission Members.

Mr. Rogers went on to further discuss the issue and answered some general questions.

There followed a brief discussion.

Mr. Kim Payne asked what the value of the VIP ticket was there are several new rules regarding disclosure.

Mr. Rogers said the value of the VIP ticket was \$125.00.

Mr. Payne said the cut-off was \$100, so he believed the VIP ticket would have to be reported, as the rules apply to all public officials.

Mr. Courtney asked if there was any update on the seeding for the site.

Mr. Rogers said they were out there today with the tractors and hopefully they were going to get it reseeded either this week or next week.

#### **(4) REPORT OF THE FINANCE MANAGER**

A. Commission discussion and questions regarding the airport's proposed FY 2017 Operating Budget as presented at the January 25, 2016 Commission meeting

**Commission Action:** Make recommendation to City Council to approve the airport's proposed FY 2017 Operating Budget

Mr. Wes Campbell passed out a copy of the proposed FY 2017 Operating Budget presentation. He pointed out the changes to the proposed budget between the time it was presented to the Commission in January and submitted to Council a few weeks ago. He said the contribution rate for employee VRS retirement decreased from 20.8% to 18.76%. Also, the health insurance rate increased from \$5,107 per employee per year to \$5,520 per year and then there was about a tenth of a percent decrease in the contribution rate for employee life insurance. He said the net result of those three changes was a \$5,000 decrease to our budget request; consequently, the final budget request was for \$2,425,969.

Mr. Courtney asked if Mr. Campbell could leave in the funding for a 2% raise.

Mr. Campbell said we do have within our budget enough to accommodate a 2% raise if there should be one in the works. He said there are indications that no raise has been proposed for City employees this year; however, we do have built into our budget enough to accommodate a 2% raise should one be granted.



Mr. Courtney said we do need a motion to make a recommendation to City Council.

Mr. Dodson asked if anyone wanted to make a motion to accept the budget as outlined by the Finance Manager and to recommend that City Council approve the budget report as submitted.

A motion was made and Mr. Dodson called for a vote and the motion was unanimously accepted by all.

**(5) REPORT OF THE AIRPORT DIRECTOR**

**A. A report summarizing LYH's 2016-2021 Airport Capital Improvement Program (ACIP) as submitted to the FAA**

Mr. Courtney handed out copies of the Federal 6-year ACIP plan for this year, which is submitted to the FAA every year on April 1<sup>st</sup>, and coincides with the updating of our State Capital Plan. He pointed out that for FY 2016 we have a total of \$1.36 million in Federal grant projects after combining our federal 90% funding and 10% match for local funding (which in this case is in the form of Virginia Department of Aviation Air Carrier Entitlement funds.)

He said half of the \$1.36 million is going to an FAA Reimbursable Agreement for all of the work associated with moving and retrofitting communications and other equipment into the new Air Traffic Control Tower. He said the cost initially came in at over \$800,000 but we were able to lower it to \$660,000, which is still an exorbitant amount. Nevertheless, it has been approved by the FAA for this year, and we have been told to submit our application.

He said he did not think we were going to be able to do the Phase 1 site work for the South GA Development Area this year, and that he would address this in greater detail.

He said for the amount shown for FY 2017 is \$2.7 million, which includes the rehabilitation of the airfield lighting. This project has become somewhat problematic as well, mainly because AIP funding eligibility for LED high intensity runway lights still has not been approved with the FAA because these LED lights do not emit enough heat to enable the use of night vision goggles, particularly for military use. Consequently it is uncertain what we are going to do with regard to finishing out.

He reminded the group that all LED lighting was installed in the air carrier ramp project and the adjoining taxiways, as well as the new airfield project across the runway and all those taxiways and ramp area. The new LED lighting looks great but we were not able to make the upgrades to the electrical vault, which require new regulators and capacitors. Not upgrading the electrical vault means that we are not realizing any savings from having these LED lights. He said he would like to get everything converted over to LED and then make those changes in the electrical vault so those savings can be realized.

Mr. Mike Davidson said they had just put LED lighting in Brookneal in Campbell County AIP funding. He said he did not recall if it was high intensity LED but, he would double check and try to find the specs for him. There followed a general discussion.

Mr. Bob Day asked Mr. Courtney if he could talk a little bit about the funding stream and why it fluctuated each year, and isn't more steady.

Mr. Day asked if it was because it was driven by the cost, and not by the funding sponsors.

Mr. Courtney replied that was correct. He said we receive about \$1.1 million per year in Federal Entitlement funds from the AIP program. We also receive State Entitlement funds anywhere from \$250,000 up to \$2 million in local funds which are generated by the airport, and PFC funds that are a combination of State entitlement funds, and they are all considered local funds for local match purposes.

He pointed out that in FY19 the Runway 4/22 Rehabilitation is budgeted at \$4.2 Million, but we are not going to have enough entitlement funds to make that happen. However, this is a project that has a high priority and is eligible for federal discretionary funds, since safety or capacity projects are eligible for discretionary funds. He said he was hoping that by FY19 we would be able to get sufficient discretionary funds to make up the difference.

He said the South GA Development Area has been utilized as a waste area for excess fill from both the Runway Extension Project as well as the Phase 2 of our Airfield and Taxiway Relocation Project that was just completed this past fall. Although he had some money for Phase 1 site work, ironically much of the soils that came from here are now not considered usable for this area because of a compaction issue; consequently we were not able to bring this up to field elevation. He explained that part of that project included compaction of the soil to bring it to elevation, put the Taxiway Bravo beside it, and then be ready to do storm water as well as ramp work and Taxiway and roadway work.

Delta Airport Consultants, our engineer, said the big constraint about doing the site work in this current fiscal year utilizing Federal funds is that there are new storm water regulations in place that require that we take into account, and mitigate for, water quality measures. It is no longer just a matter of moving the water from the impermeable surface and have in place best management practices; there are additional types of structures and mitigation measures that have to be utilized, including what are called dry swales. These structures include bio filters, and in many cases you cannot just put a detention basin; it has to have multiple layers to be able to filter the water. The bottom line is the additional cost for storm water infrastructure is probably going to be about 50% higher than it was in the past. He went on to further explain and detail the projects. There followed a general discussion.

**B. An update on American Airlines' operational performance at LYH.**

Mr. Courtney gave an update of the flight performance Piedmont Airlines, American Airlines' wholly-owned subsidiary in Lynchburg. It was a very difficult winter, with December and January being especially bad particularly on the East Coast. For January and February the major airlines, American, Delta, United, and Southwest Airlines, all fared about the same for on-time performance.

He said Southwest had the best record of the majors in January and February. The network carriers' cancellations were better in January than they were in February but were overall relatively low.

He said the regional airline, Piedmont, had a system-wide cancellation rate of 8.7% in January, and 11.3% in February. He went on to further detail and explain the issue. A general discussion ensued.

(6) **MISCELLANEOUS BUSINESS**

**A. Inquiries and/or comments by Commission Members.**

There were none. Mr. Dodson said the next meeting would be June 25, 2016. He then said he was glad to see the surplus for the airport.

(7) **REPORTS OF AIRPORT BUSINESSES**

Mr. Dodson asked if there were any reports of airport businesses.

There were none.

(8) **HEARINGS OF CITIZENS UPON COMMISSION MATTERS**

Mr. Dodson asked if there were any questions or comments from the citizens present.

There were none.

(9) **ADJOURNMENT**

There being no further business, the meeting was adjourned.



# Lynchburg Regional Airport Commission

Effective June 2016

AIR SERVICE UPDATE

**Summary** The number of daily departure seats on Saturday is 250; there are 300 daily departures seats all other days. The daily departure frequency is six every day except Saturday which has five departures.

<b>Carrier Profile</b>	<u>Airline</u>	<u>Destination</u>	<u>Departures</u>	<u>Seats</u>	<u>Equipment</u>
	American Airlines	Charlotte	6 / 5	300 / 250	DH3
<b>AIRPORT TOTAL:</b>			<b>6 / 5</b>	<b>300 / 250</b>	

**American Airlines** During the month of June, there were five departures on Saturdays and six departures on all other days. All flights in June were 50-seat DH3s. The July schedule will be the same as the June schedule. Starting August 23, there will be an equipment upgrade, as a CR7 will replace one of the DH3s for a couple of months.

<b>Destinations Served</b>	<u>Non-Stop</u>	<u>Departures</u>	<u>Total</u>
Charlotte		6	6 (Su, M, T, W, Th, F)
Charlotte		5	5 (Sa)

<b>Aircraft Types</b>	<u>Aircraft</u>	<u>No. of Departures/Day</u>
	DH8 Dash 8-100	0
	DH3 Dash 8-300	All scheduled flights
	CRJ	0

# LYNCHBURG REGIONAL AIRPORT AIR TRAFFIC REPORT FOR APRIL 2016

	MONTH				YEAR TO DATE TOTALS		PERCENTAGE CHANGES			
	Apr-16	Mar-16	Apr-15	Mar-15	2016	2015	Apr-16 Mar-16	Apr-16 Apr-15	16 YTD	15 YTD
<b>AIRLINE PASSENGERS (REVENUE ONLY)</b>										
ENPLANED										
US Airways - Piedmont	6,665	7,078	6,110		24,666	22,343	-5.8% #DIV/0!	9.1% #DIV/0!	10.4% #DIV/0!	
US Airways - Air Wisconsin	-	-	-	-	-	-	#DIV/0!	#DIV/0!	-100.0%	
US Airways - PSA	-	-	-	-	-	1,075	#DIV/0!	#DIV/0!		
Charter	-	-	-	-	-	-				
<b>TOTAL ENPLANED</b>	<b>6,665</b>	<b>7,078</b>	<b>6,110</b>		<b>24,666</b>	<b>23,418</b>	<b>-5.8%</b>	<b>9.1%</b>	<b>5.3%</b>	
DEPLANED										
US Airways - Piedmont	6,735	6,894	6,228		24,968	23,008	-2.3% #DIV/0!	8.1% #DIV/0!	8.5% #DIV/0!	
US Airways - Air Wisconsin	-	-	-	-	-	-	#DIV/0!	#DIV/0!	-100.0%	
US Airways - PSA	-	-	-	-	-	1,265	#DIV/0!	#DIV/0!		
Charter	-	-	-	-	-	-				
<b>TOTAL DEPLANED</b>	<b>6,735</b>	<b>6,894</b>	<b>6,228</b>		<b>24,968</b>	<b>24,273</b>	<b>-2.3%</b>	<b>8.1%</b>	<b>2.9%</b>	
<b>TOTAL AIRLINE PASSENGERS</b>	<b>13,400</b>	<b>13,972</b>	<b>12,338</b>		<b>49,634</b>	<b>47,691</b>	<b>-4.1%</b>	<b>8.6%</b>	<b>4.1%</b>	
<b>AIRLINE FLIGHTS</b>										
NUMBER OF DAILY SCHEDULED DEPARTURES										
US Airways - Piedmont	6	6	6				0.0%	0.0%	#####	
US Airways - Air Wisconsin	0	0	0				#DIV/0!	#DIV/0!	#####	
US Airways - PSA	0	0	0				#DIV/0!	#DIV/0!	#DIV/0!	
Total Daily Scheduled Departures	<b>6</b>	<b>6</b>	<b>6</b>				<b>0.0%</b>	<b>0.0%</b>		
NUMBER OF CANCELLED DEPARTURES										
US Airways - Piedmont	6	5	3		47	31	20.0% #DIV/0!	100.0% #DIV/0!	51.6% #DIV/0!	
US Airways - Air Wisconsin	0	0	0		-	-	#DIV/0!	#DIV/0!	-100.0%	
US Airways - PSA	0	0	0		-	2	#DIV/0!	#DIV/0!	#DIV/0!	
Charter	0	0	0		-	-				
Total Cancelled Departures	<b>6</b>	<b>5</b>	<b>3</b>		<b>47</b>	<b>33</b>	<b>20.0%</b>	<b>100.0%</b>	<b>42.4%</b>	
NUMBER OF ACTUAL DEPARTURES										
US Airways - Piedmont	171	177	160		640	585	-3.4% #DIV/0!	6.9% #DIV/0!	9.4% #DIV/0!	
US Airways - Air Wisconsin	0	0	0		-	-	#DIV/0!	#DIV/0!	-100.0%	
US Airways - PSA	0	0	0		-	31	#DIV/0!	#DIV/0!		
Charter	0	0	0							
<b>TOTAL ACTUAL DEPARTURES</b>	<b>171</b>	<b>177</b>	<b>160</b>		<b>640</b>	<b>616</b>	<b>-3.4%</b>	<b>6.9%</b>	<b>3.9%</b>	
<b>AIRCRAFT OPERATIONS</b>										
(Landings and Takeoffs)										
COMMERCIAL AIRLINE	555	490	447		1,900	1,726	13.3%	24.2%	10.1%	
GENERAL AVIATION	11,325	11,540	9,132		37,346	30,091	-1.9%	24.0%	24.1%	
MILITARY	60	104	122		322	434	-42.3%	-50.8%	-25.8%	
<b>TOTAL AIRCRAFT OPERATIONS</b>	<b>11,940</b>	<b>12,134</b>	<b>9,701</b>		<b>39,568</b>	<b>32,251</b>	<b>-1.6%</b>	<b>23.1%</b>	<b>22.7%</b>	





# LYNCHBURG REGIONAL AIRPORT TRAFFIC STATISTICS FOR APRIL 2016

APRIL	PIEDMONT				AIR WISCONSIN				PSA				TOTALS			
	Departures	Available Seats	Passengers Enplaned	Load Factor	Departures	Available Seats	Passengers Enplaned	Load Factor	Departures	Available Seats	Passengers Enplaned	Load Factor	Departures	Available Seats	Passengers Enplaned	Load Factor
Aircraft Type																
DHC-8-200	-	-											-	-		
DHC-8-300	171	8,550											171	8,550		
DHC-8	0	0											-	-		
CR7													-	-		
CRJ(50 SEAT)	-	-			0	-			-	-	0		-	-		
Total	171	8,550	6,665	78.0%	-	-	-	#####	-	0	0	#DIV/0!	171	8,550	6,665	78.0%

Year-to-Date	PIEDMONT				AIR WISCONSIN				PSA				TOTALS			
	Departures	Available Seats	Passengers Enplaned	Load Factor	Departures	Available Seats	Passengers Enplaned	Load Factor	Departures	Available Seats	Passengers Enplaned	Load Factor	Departures	Available Seats	Passengers Enplaned	Load Factor
DHC-8-200	-	-											-	-		
DHC-8-300	632	31,600											632	31,600		
DHC-8	8	296							#REF!				8	296		
CR7									0	-			-	-		
CRJ(50 SEAT)	-	-			0	-			0	-			-	-		
Total	640	31,896	24,666	77.3%	-	-	-	#####	-	-	-	#DIV/0!	640	31,896	24,666	77.3%